

**Executive Summary – Enforcement Matter – Case No. 47414**  
**Mockingbird Midstream Gas Services, L.L.C.**  
**RN106153554, RN106501398, RN106449283, RN106388085 and**  
**RN106083900**  
**Docket No. 2013-1536-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Frio Compression Facility (Site 1), on Highway 117, 16 miles southeast of the State Highway 85 and Highway 117 intersection, Dilley, La Salle County

Jea Compression Facility (Site 2), on Farm-to-Market Road ("FM") 469, 9.19 miles northeast of the intersection of Interstate Highway 35 and North Main Street, Cotulla, La Salle County

Light Compression Facility (Site 3), on an unnamed road, 8.21 miles southeast of the intersection of State Highway 85 and FM 468, Pearsall, Dimmit County

Traylor Compressor Facility (Site 4), on FM 117, 10.1 miles southeast of the intersection of State Highway 57 and FM 117, Batesville, Zavala County

Dilley Treating Facility (Site 5), on County Road 4827, 8.81 miles west-southwest of the State Highway 85 and IH 35 intersection, Dilley, La Salle County

**Type of Operation:**

Oil and gas production facility

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** February 7, 2014

**Comments Received:** No

**Executive Summary – Enforcement Matter – Case No. 47414**  
**Mockingbird Midstream Gas Services, L.L.C.**  
**RN106153554, RN106501398, RN106449283, RN106388085 and**  
**RN106083900**  
**Docket No. 2013-1536-AIR-E**

***Penalty Information***

**Total Penalty Assessed:** \$22,736  
**Amount Deferred for Expedited Settlement:** \$4,544  
**Amount Deferred for Financial Inability to Pay:** \$0  
**Total Paid to General Revenue:** \$18,192  
**Total Due to General Revenue:** \$0  
    Payment Plan: N/A  
**SEP Conditional Offset:** \$0  
    Name of SEP: N/A  
**Compliance History Classifications:**  
    Person/CN - High  
    Site/RN - High  
**Major Source:** No, Yes – Dilley Treating Facility RN106083900  
**Statutory Limit Adjustment:** N/A  
**Applicable Penalty Policy:** September 2011

***Investigation Information***

**Complaint Date(s):** N/A  
**Complaint Information:** N/A  
**Date(s) of Investigation:** July 3, 2013  
**Date(s) of NOE(s):** July 3, 2013

***Violation Information***

1. Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 1 from January 23, 2012 to March 13, 2013, prior to obtaining the proper authorization [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].
2. Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, a scavenger skid with two natural gas pneumatic pumps was installed and operated at Site 2 from January 23, 2013 to March 14, 2013, prior to obtaining the proper authorization [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].
3. Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 3 from October 1, 2012 to February 20, 2013, prior to obtaining the proper authorization [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].

**Executive Summary – Enforcement Matter – Case No. 47414**  
**Mockingbird Midstream Gas Services, L.L.C.**  
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**RN106083900**  
**Docket No. 2013-1536-AIR-E**

4. Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 4 from May 14, 2012 to March 13, 2013, prior to obtaining the proper authorization [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].
5. Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 5 from June 18, 2012 to February 22, 2013, prior to obtaining the proper authorization [30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b)].
6. Failed to include all emission sources in the general operating permit. Specifically, the Respondent operated two scavenger skids with two natural gas pneumatic pumps each at Site 5 prior to including the emission sources in General Operating Permit No. O3533 [30 TEX. ADMIN. CODE §§ 122.121 and 122.210(a) and TEX. HEALTH & SAFETY CODE §§ 382.054 AND 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent has implemented the following corrective measures at the Sites that resulted in not being required to obtain the proper authorization:

- a. On February 20, 2013, the four pneumatic pumps at Site 3 were placed on supplied air, terminating all volatile organic compound ("VOC") emissions from the two scavenger skids;
- b. On February 22, 2013, the four pneumatic pumps at Site 5 were placed on supplied air, terminating all VOC emissions from the two scavenger skids;
- c. On March 13, 2013, the four pneumatic pumps at Site 1 and the four pneumatic pumps at Site 4 were placed on supplied air, terminating all VOC emissions from the four scavenger skids; and
- d. On March 14, 2013, the scavenger skid and the two pneumatic pumps were removed from Site 2.

**Technical Requirements:**

N/A

***Litigation Information***

**Date Petition(s) Filed:** N/A

**Date Answer(s) Filed:** N/A

**SOAH Referral Date:** N/A

**Executive Summary – Enforcement Matter – Case No. 47414  
Mockingbird Midstream Gas Services, L.L.C.  
RN106153554, RN106501398, RN106449283, RN106388085 and  
RN106083900  
Docket No. 2013-1536-AIR-E**

**Hearing Date(s):** N/A

**Settlement Date:** N/A

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Amancio R. Gutierrez, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-3921; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

**TCEQ SEP Coordinator:** N/A

**Respondent:** Jimmie Hammontree, Regulatory Manager, Mockingbird Midstream Gas Services, L.L.C., P.O. Box 54724, Oklahoma City, Oklahoma 73154  
Walter J. Bennett, Vice President of Operations, Mockingbird Midstream Gas Services, L.L.C., P.O. Box 54724, Oklahoma City, Oklahoma 73154

**Respondent's Attorney:** N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	8-Aug-2013	<b>PCW</b>	15-Oct-2013	<b>Screening</b>	14-Aug-2013	<b>EPA Due</b>	
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## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Mockingbird Midstream Gas Services, L.L.C. (Site 1)						
<b>Reg. Ent. Ref. No.</b>	RN106153554						
<b>Facility/Site Region</b>	16-Laredo			<b>Major/Minor Source</b>	Minor		

## CASE INFORMATION

<b>Enf./Case ID No.</b>	47414	<b>No. of Violations</b>	1
<b>Docket No.</b>	2013-1536-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Amancio R. Gutierrez
		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$6,250**

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** **-10.0%** Enhancement **Subtotals 2, 3, & 7** **-\$625**

Notes Reduction for high performer classification.

**Culpability** **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5** **\$1,562**

**Economic Benefit** **0.0%** Enhancement\* **Subtotal 6** **\$0**

Total EB Amounts \$551  
Approx. Cost of Compliance \$500  
\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$4,063**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **13.6%** **Adjustment** **\$551**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes Enhancement to capture the avoided cost of compliance for Violation No. 1.

**Final Penalty Amount** **\$4,614**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$4,614**

**DEFERRAL** **20.0%** Reduction **Adjustment** **-\$922**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes Deferral offered for expedited settlement.

**PAYABLE PENALTY** **\$3,692**

Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106153554

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Reduction for high performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) -10%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% -10%

Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site 1)

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106153554

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.110(a) and Tex. Health &amp; Safety Code §§ 382.0518(a) and 382.085(b)

## Violation Description

Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 1 from January 23, 2012 to March 13, 2013, prior to obtaining the proper authorization.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

## Violation Events

Number of Violation Events 5

415 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$6,250

Five quarterly events are recommended.

## Good Faith Efforts to Comply

25.0% Reduction

\$1,562

Extraordinary

Before NOV NOV to EDPRP/Settlement Offer

Ordinary

x

N/A

(mark with x)

Notes

The Respondent completed corrective measures on March 13, 2013, before the violation disclosure date of March 27, 2013.

Violation Subtotal \$4,688

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$551

Violation Final Penalty Total \$4,614

This violation Final Assessed Penalty (adjusted for limits) \$4,614

# Economic Benefit Worksheet

**Respondent** Mockingbird Midstream Gas Services, L.L.C. (Site 1)  
**Case ID No.** 47414  
**Reg. Ent. Reference No.** RN106153554  
**Media** Air  
**Violation No.** 1

**Percent Interest** 5.0  
**Years of Depreciation** 15

**Item Cost** **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**  
**Item Description** No commas or \$

## Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/construction			0.00	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			0.00	\$0	n/a	\$0
Remediation/Disposal			0.00	\$0	n/a	\$0
Permit Costs			0.00	\$0	n/a	\$0
Other (as needed)			0.00	\$0	n/a	\$0

Notes for DELAYED costs

## Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$500	23-Jan-2012	13-Mar-2013	2.05	\$51	\$500	\$551

Notes for AVOIDED costs

Estimated avoided cost to obtain the proper authorization. The Date Required is the date the first skid was installed and the Final Date is the date by which the authorization was no longer required.

Approx. Cost of Compliance

\$500

**TOTAL**

\$551





# Compliance History Report

**PENDING** Compliance History Report for CN603710500, RN106153554, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

<b>Customer, Respondent, or Owner/Operator:</b>	CN603710500, Mockingbird Midstream Gas Services, L.L.C.	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Regulated Entity:</b>	RN106153554, FRIO COMPRESSION FACILITY	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Complexity Points:</b>	1	<b>Repeat Violator:</b>	NO
<b>CH Group:</b>	03 - Oil and Gas Extraction		
<b>Location:</b>	ON HIGHWAY 117, 16 MILES SOUTHEAST OF THE HIGHWAY 85 AND HIGHWAY 117 INTERSECTION IN DILLEY, LA SALLE COUNTY, TEXAS		
<b>TCEQ Region:</b>	REGION 16 - LAREDO		

**ID Number(s):**

**AIR NEW SOURCE PERMITS** REGISTRATION 96445

**Compliance History Period:** September 01, 2008 to August 31, 2013 **Rating Year:** 2013 **Rating Date:** 09/01/2013

**Date Compliance History Report Prepared:** October 15, 2013

**Agency Decision Requiring Compliance History:** Enforcement

**Component Period Selected:** October 15, 2008 to October 15, 2013

**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**

**Name:** Amancio R. Gutierrez **Phone:** (512) 239-3921

**Site and Owner/Operator History:**

- 1) Has the site been in existence and/or operation for the full five year compliance period? NO
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

**Components (Multimedia) for the Site Are Listed in Sections A - J**

**A. Final Orders, court judgments, and consent decrees:**

N/A

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

**D. The approval dates of investigations (CCEDS Inv. Track. No.):**

N/A

**E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

N/A

**F. Environmental audits:**

N/A

**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	8-Aug-2013	<b>Screening</b>	14-Aug-2013	<b>EPA Due</b>	
	<b>PCW</b>	15-Oct-2013				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Mockingbird Midstream Gas Services, L.L.C. (Site 2)		
<b>Reg. Ent. Ref. No.</b>	RN106501398		
<b>Facility/Site Region</b>	16-Laredo	<b>Major/Minor Source</b>	Minor

## CASE INFORMATION

<b>Enf./Case ID No.</b>	47414	<b>No. of Violations</b>	1
<b>Docket No.</b>	2013-1536-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Amancio R. Gutierrez
		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$1,250
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## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

<b>Compliance History</b>	-10.0%	Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	-\$125
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Notes: Reduction for high performer classification.

<b>Culpability</b>	No	0.0%	Enhancement	<b>Subtotal 4</b>	\$0
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$312
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<b>Economic Benefit</b>	0.0%	Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts: \$526  
Approx. Cost of Compliance: \$500  
\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$813
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	64.7%	<b>Adjustment</b>	\$526
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided cost of compliance for Violation No. 1.

<b>Final Penalty Amount</b>	\$1,339
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$1,339
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<b>DEFERRAL</b>	20.0%	Reduction	<b>Adjustment</b>	-\$267
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$1,072
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Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106501398

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Reduction for high performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) -10%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% -10%

Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site 2)

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106501398

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.110(a) and Tex. Health &amp; Safety Code §§ 382.0518(a) and 382.085(b)

## Violation Description

Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, a scavenger skid with two natural gas pneumatic pumps was installed and operated at Site 2 from January 23, 2013 to March 14, 2013, prior to obtaining the proper authorization.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

## Violation Events

Number of Violation Events 1

50

Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$1,250

One quarterly event is recommended.

## Good Faith Efforts to Comply

25.0% Reduction

\$312

Before NOV NOV to EDRP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent completed corrective measures on March 14, 2013, before the violation disclosure date of March 27, 2013.

Violation Subtotal \$938

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$526

Violation Final Penalty Total \$1,339

This violation Final Assessed Penalty (adjusted for limits) \$1,339

# Economic Benefit Worksheet

**Respondent** Mockingbird Midstream Gas Services, L.L.C. (Site 2)

**Case ID No.** 47414

**Reg. Ent. Reference No.** RN106501398

**Media** Air

**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

## Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$500	23-Jan-2013	14-Mar-2013	1.05	\$26	\$500	\$526

Notes for AVOIDED costs

Estimated avoided cost to obtain the proper authorization. The Date Required is the date the skid was installed and the Final Date is the date by which the authorization was no longer required.

Approx. Cost of Compliance

\$500

**TOTAL**

\$526



# Compliance History Report

**PENDING** Compliance History Report for CN603710500, RN106501398, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

<b>Customer, Respondent, or Owner/Operator:</b>	CN603710500, Mockingbird Midstream Gas Services, L.L.C.	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Regulated Entity:</b>	RN106501398, JEA COMPRESSION FACILITY	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Complexity Points:</b>	1	<b>Repeat Violator:</b> NO	
<b>CH Group:</b>	14 - Other		
<b>Location:</b>	ON FARM TO MARKET ROAD 469, 9.19 MILES NORTHEAST OF THE INTERSECTION OF INTERSTATE HIGHWAY 35 AND NORTH MAIN STREET IN COTULLA, LA SALLE COUNTY, TEXAS		
<b>TCEQ Region:</b>	REGION 16 - LAREDO		
<b>ID Number(s):</b>	AIR NEW SOURCE PERMITS REGISTRATION 107697		
<b>Compliance History Period:</b>	September 01, 2008 to August 31, 2013	<b>Rating Year:</b> 2013	<b>Rating Date:</b> 09/01/2013
<b>Date Compliance History Report Prepared:</b>	October 15, 2013		
<b>Agency Decision Requiring Compliance History:</b>	Enforcement		
<b>Component Period Selected:</b>	October 15, 2008 to October 15, 2013		
<b>TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.</b>			
<b>Name:</b>	Amancio R. Gutierrez	<b>Phone:</b>	(512) 239-3921

## Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? NO
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

## Components (Multimedia) for the Site Are Listed in Sections A - J

### **A. Final Orders, court judgments, and consent decrees:**

N/A

### **B. Criminal convictions:**

N/A

### **C. Chronic excessive emissions events:**

N/A

### **D. The approval dates of investigations (CCEDS Inv. Track. No.):**

N/A

### **E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

N/A

**F. Environmental audits:**

N/A

**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A





# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

**TCEQ**

**DATES**

Assigned 8-Aug-2013

PCW 15-Oct-2013

Screening 14-Aug-2013

EPA Due

## RESPONDENT/FACILITY INFORMATION

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site 3)

Reg. Ent. Ref. No. RN106449283

Facility/Site Region 16-Laredo

Major/Minor Source Minor

## CASE INFORMATION

Enf./Case ID No. 47414

Docket No. 2013-1536-AIR-E

Media Program(s) Air

Multi-Media

No. of Violations 1

Order Type 1660

Government/Non-Profit No

Enf. Coordinator Amancio R. Gutierrez

EC's Team Enforcement Team 5

Admin. Penalty \$ Limit Minimum

\$0

Maximum

\$25,000

## Penalty Calculation Section

### TOTAL BASE PENALTY (Sum of violation base penalties)

Subtotal 1 \$2,500

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

#### Compliance History

-10.0% Enhancement

Subtotals 2, 3, & 7 -\$250

Notes

Reduction for high performer classification.

#### Culpability

No

0.0% Enhancement

Subtotal 4 \$0

Notes

The Respondent does not meet the culpability criteria.

#### Good Faith Effort to Comply Total Adjustments

Subtotal 5 \$625

#### Economic Benefit

Total EB Amounts \$533

Approx. Cost of Compliance \$500

0.0% Enhancement\*

\*Capped at the Total EB \$ Amount

Subtotal 6 \$0

### SUM OF SUBTOTALS 1-7

Final Subtotal \$1,625

### OTHER FACTORS AS JUSTICE MAY REQUIRE

32.8%

Adjustment \$533

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Enhancement to capture the avoided cost of compliance for Violation No. 1.

Final Penalty Amount \$2,158

### STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty

\$2,158

### DEFERRAL

20.0%

Reduction

Adjustment

-\$431

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

### PAYABLE PENALTY

\$1,727

Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106449283

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Reduction for high performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) -10%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% -10%

Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site 3)

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106449283

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.110(a) and Tex. Health &amp; Safety Code §§ 382.0518(a) and 382.085(b)

## Violation Description

Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 3 from October 1, 2012 to February 20, 2013, prior to obtaining the proper authorization.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

## Violation Events

Number of Violation Events 2

142 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$2,500

Two quarterly events are recommended.

## Good Faith Efforts to Comply

25.0% Reduction

\$625

Before NOV NOV to EDRP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent completed corrective measures on February 20, 2013, before the violation disclosure date of March 27, 2013.

Violation Subtotal \$1,875

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$533

Violation Final Penalty Total \$2,158

This violation Final Assessed Penalty (adjusted for limits) \$2,158

# Economic Benefit Worksheet

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site 3)

Case ID No. 47414

Reg. Ent. Reference No. RN106449283

Media Air

Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$500	1-Oct-2012	20-Feb-2013	1.31	\$33	\$500	\$533

Notes for AVOIDED costs

Estimated avoided cost to obtain the proper authorization. The Date Required is the date the first skid was installed and the Final Date is the date by which the authorization was no longer required.

Approx. Cost of Compliance

\$500

TOTAL

\$533



# Compliance History Report

**PENDING** Compliance History Report for CN603710500, RN106449283, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

<b>Customer, Respondent, or Owner/Operator:</b>	CN603710500, Mockingbird Midstream Gas Services, L.L.C.	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Regulated Entity:</b>	RN106449283, LIGHT COMPRESSION FACILITY	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Complexity Points:</b>	2	<b>Repeat Violator:</b>	NO
<b>CH Group:</b>	03 - Oil and Gas Extraction		
<b>Location:</b>	ON AN UNNAMED ROAD, 8.21 MILES SOUTHEAST OF THE INTERSECTION OF TEXAS 85 AND FARM TO MARKET ROAD 468 IN PEARSALL, DIMMIT COUNTY, TEXAS		
<b>TCEQ Region:</b>	REGION 16 - LAREDO		
<b>ID Number(s):</b>			
<b>AIR NEW SOURCE PERMITS REGISTRATION</b>	103968	<b>AIR NEW SOURCE PERMITS REGISTRATION</b>	107379
<b>Compliance History Period:</b>	September 01, 2008 to August 31, 2013	<b>Rating Year:</b>	2013
		<b>Rating Date:</b>	09/01/2013
<b>Date Compliance History Report Prepared:</b>	October 15, 2013		
<b>Agency Decision Requiring Compliance History:</b>	Enforcement		
<b>Component Period Selected:</b>	October 15, 2008 to October 15, 2013		
<b>TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.</b>			
<b>Name:</b>	Amancio R. Gutierrez	<b>Phone:</b>	(512) 239-3921

## Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? NO
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

## Components (Multimedia) for the Site Are Listed in Sections A - J

### **A. Final Orders, court judgments, and consent decrees:**

N/A

### **B. Criminal convictions:**

N/A

### **C. Chronic excessive emissions events:**

N/A

### **D. The approval dates of investigations (CCEDS Inv. Track. No.):**

N/A

### **E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

N/A

**F. Environmental audits:**

N/A

**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	8-Aug-2013	<b>Screening</b>	14-Aug-2013	<b>EPA Due</b>	
	<b>PCW</b>	15-Oct-2013				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Mockingbird Midstream Gas Services, L.L.C. (Site 4)		
<b>Reg. Ent. Ref. No.</b>	RN106388085		
<b>Facility/Site Region</b>	16-Laredo	<b>Major/Minor Source</b>	Minor

## CASE INFORMATION

<b>Enf./Case ID No.</b>	47414	<b>No. of Violations</b>	1
<b>Docket No.</b>	2013-1536-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Amancio R. Gutierrez
		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$5,000
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## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

<b>Compliance History</b>	-10.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	-\$500
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Notes: Reduction for high performer classification.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$1,250
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts: \$544  
Approx. Cost of Compliance: \$500  
\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$3,250
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	16.7%	<b>Adjustment</b>	\$544
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Enhancement to capture the avoided cost of compliance for Violation No. 1.

<b>Final Penalty Amount</b>	\$3,794
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$3,794
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<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	-\$758
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$3,036
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Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106388085

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Reduction for high performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) -10%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% -10%



Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site 4)

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106388085

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.110(a) and Tex. Health &amp; Safety Code §§ 382.0518(a) and 382.085(b)

## Violation Description

Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 4 from May 14, 2012 to March 13, 2013, prior to obtaining the proper authorization.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

## &gt;&gt; Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

## Violation Events

Number of Violation Events 4

303 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$5,000

Four quarterly events are recommended.

## Good Faith Efforts to Comply

25.0% Reduction

\$1,250

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent completed corrective measures on March 13, 2013, before the violation disclosure date of March 27, 2013.

Violation Subtotal \$3,750

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$544

Violation Final Penalty Total \$3,794

This violation Final Assessed Penalty (adjusted for limits) \$3,794

# Economic Benefit Worksheet

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site 4)  
 Case ID No. 47414  
 Reg. Ent. Reference No. RN106388085  
 Media Air  
 Violation No. 1

Percent Interest 5.0  
 Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount  
 Item Description No commas or \$

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$500	14-May-2012	13-Mar-2013	1.75	\$44	\$500	\$544

Notes for AVOIDED costs

Estimated avoided cost to obtain the proper authorization. The Date Required is the date the first skid was installed and the Final Date is the date by which the authorization was no longer required.

Approx. Cost of Compliance

\$500

TOTAL

\$544



# Compliance History Report

**PENDING** Compliance History Report for CN603710500, RN106388085, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

<b>Customer, Respondent, or Owner/Operator:</b>	CN603710500, Mockingbird Midstream Gas Services, L.L.C.	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Regulated Entity:</b>	RN106388085, TRAYLOR COMPRESSOR FACILITY	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Complexity Points:</b>	1	<b>Repeat Violator:</b>	NO
<b>CH Group:</b>	03 - Oil and Gas Extraction		
<b>Location:</b>	ON FARM TO MARKET ROAD 117, 10.1 MILES SOUTHEAST OF THE INTERSECTION OF HIGHWAY 57 AND FARM TO MARKET ROAD 117 IN BATESVILLE, ZAVALA COUNTY, TEXAS		
<b>TCEQ Region:</b>	REGION 16 - LAREDO		
<b>ID Number(s):</b>	AIR NEW SOURCE PERMITS REGISTRATION 102216		
<b>Compliance History Period:</b>	September 01, 2008 to August 31, 2013	<b>Rating Year:</b> 2013	<b>Rating Date:</b> 09/01/2013
<b>Date Compliance History Report Prepared:</b>	October 15, 2013		
<b>Agency Decision Requiring Compliance History:</b>	Enforcement		
<b>Component Period Selected:</b>	October 15, 2008 to October 15, 2013		
<b>TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.</b>			
<b>Name:</b>	Amancio R. Gutierrez	<b>Phone:</b>	(512) 239-3921

## Site and Owner/Operator History:

- |  |     |
|--|-----|
| 1) Has the site been in existence and/or operation for the full five year compliance period?       | NO  |
| 2) Has there been a (known) change in ownership/operator of the site during the compliance period? | NO  |
| 3) If <b>YES</b> for #2, who is the current owner/operator?  | N/A |
| 4) If <b>YES</b> for #2, who was/were the prior owner(s)/operator(s)?                              | N/A |
| 5) If <b>YES</b> , when did the change(s) in owner or operator occur?                              | N/A |

## Components (Multimedia) for the Site Are Listed in Sections A - J

### **A. Final Orders, court judgments, and consent decrees:**

N/A

### **B. Criminal convictions:**

N/A

### **C. Chronic excessive emissions events:**

N/A

### **D. The approval dates of investigations (CCEDS Inv. Track. No.):**

N/A

### **E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

N/A

**F. Environmental audits:**

N/A

**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A



# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

**TCEQ**

**DATES**

**Assigned PCW**

8-Aug-2013  
15-Oct-2013

**Screening** 14-Aug-2013

**EPA Due**

## RESPONDENT/FACILITY INFORMATION

**Respondent** Mockingbird Midstream Gas Services, L.L.C. (Site 5)  
**Reg. Ent. Ref. No.** RN106083900  
**Facility/Site Region** 16-Laredo **Major/Minor Source** Major

## CASE INFORMATION

**Enf./Case ID No.** 47414  
**Docket No.** 2013-1536-AIR-E  
**Media Program(s)** Air  
**Multi-Media**  
**No. of Violations** 2  
**Order Type** 1660  
**Government/Non-Profit** No  
**Enf. Coordinator** Amancio R. Gutierrez  
**EC's Team** Enforcement Team 5  
**Admin. Penalty \$ Limit Minimum** \$0 **Maximum** \$25,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** \$15,000

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** -10.0% Enhancement **Subtotals 2, 3, & 7** -\$1,500

**Notes** Reduction for high performer classification.

**Culpability** No 0.0% Enhancement **Subtotal 4** \$0

**Notes** The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5** \$3,749

**Economic Benefit** 0.0% Enhancement\* **Subtotal 6** \$0

Total EB Amounts \$1,080  
Approx. Cost of Compliance \$1,000  
\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** \$9,751

**OTHER FACTORS AS JUSTICE MAY REQUIRE** 11.1% **Adjustment** \$1,080

Reduces or enhances the Final Subtotal by the indicated percentage.

**Notes** Enhancement to capture the avoided cost of compliance for Violation Nos. 1 and 2.

**Final Penalty Amount** \$10,831

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** \$10,831

**DEFERRAL** 20.0% Reduction **Adjustment** -\$2,166

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

**Notes** Deferral offered for expedited settlement.

**PAYABLE PENALTY** \$8,665

Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106083900

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Reduction for high performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) -10%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% -10%

Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site 5)

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106083900

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.110(a) and Tex. Health &amp; Safety Code §§ 382.0518(a) and 382.085(b)

## Violation Description

Failed to obtain authorization for the source of air emissions prior to construction and operation. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 5 from June 18, 2012 to February 22, 2013, prior to obtaining the proper authorization.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 15.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$21,250

\$3,750

## Violation Events

Number of Violation Events 3

249 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$11,250

Three quarterly events are recommended.

## Good Faith Efforts to Comply

25.0% Reduction

\$2,812

Before NOV NOV to EDP RP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent completed corrective measures on February 22, 2013, before the violation disclosure date of March 27, 2013.

Violation Subtotal \$8,438

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$540

Violation Final Penalty Total \$8,123

This violation Final Assessed Penalty (adjusted for limits) \$8,123

# Economic Benefit Worksheet

**Respondent** Mockingbird Midstream Gas Services, L.L.C. (Site 5)  
**Case ID No.** 47414  
**Reg. Ent. Reference No.** RN106083900  
**Media** Air  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$500	18-Jun-2012	22-Feb-2013	1.60	\$40	\$500	\$540

Notes for AVOIDED costs

Estimated avoided cost to obtain the proper authorization. The Date Required is the date the first skid was installed and the Final Date is the date by which the authorization was no longer required.

Approx. Cost of Compliance

\$500

TOTAL

\$540



Screening Date 14-Aug-2013

Docket No. 2013-1536-AIR-E

PCW

Respondent Mockingbird Midstream Gas Services, L.L.C. (Site 5)

Policy Revision 3 (September 2011)

Case ID No. 47414

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106083900

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 122.121 and 122.210(a) and Tex. Health &amp; Safety Code §§ 382.054 and 382.085(b)

## Violation Description

Failed to include all emission sources in the general operating permit. Specifically, the Respondent operated two scavenger skids with two natural gas pneumatic pumps each at Site 5 prior to including the emission sources in General Operating Permit No. O3533.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor
	X		

Percent 15.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$21,250

\$3,750

## Violation Events

Number of Violation Events 1

249 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$3,750

One single event is recommended.

## Good Faith Efforts to Comply

25.0% Reduction

\$937

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes

The Respondent completed corrective measures on February 22, 2013, before the NOE date of July 3, 2013.

Violation Subtotal \$2,813

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$540

Violation Final Penalty Total \$2,708

This violation Final Assessed Penalty (adjusted for limits) \$2,708

# Economic Benefit Worksheet

**Respondent** Mockingbird Midstream Gas Services, L.L.C. (Site 5)

**Case ID No.** 47414

**Reg. Ent. Reference No.** RN106083900

**Media** Air

**Violation No.** 2

**Percent Interest** 5.0  
**Years of Depreciation** 15

**Item Cost** **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**  
**Item Description** No commas or \$

## Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/construction			0.00	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			0.00	\$0	n/a	\$0
Remediation/Disposal			0.00	\$0	n/a	\$0
Permit Costs			0.00	\$0	n/a	\$0
Other (as needed)			0.00	\$0	n/a	\$0

**Notes for DELAYED costs**

## Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)	\$500	18-Jun-2012	22-Feb-2013	1.60	\$40	\$500	\$540

**Notes for AVOIDED costs**

Estimated avoided cost to obtain a general operating permit amendment. The Date Required is the date the first skid was installed and the Final Date is the date by which an amendment was no longer required.

**Approx. Cost of Compliance**

\$500

**TOTAL**

\$540



# Compliance History Report

**PENDING** Compliance History Report for CN603710500, RN106083900, Rating Year 2013 which includes Compliance History (CH) components from September 1, 2008, through August 31, 2013.

<b>Customer, Respondent, or Owner/Operator:</b>	CN603710500, Mockingbird Midstream Gas Services, L.L.C.	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Regulated Entity:</b>	RN106083900, DILLEY TREATING FACILITY	<b>Classification:</b> HIGH	<b>Rating:</b> 0.00
<b>Complexity Points:</b>	5	<b>Repeat Violator:</b>	NO
<b>CH Group:</b>	03 - Oil and Gas Extraction		
<b>Location:</b>	ON COUNTY ROAD 4827, 8.81 MILES WEST-SOUTHWEST OF THE HIGHWAY 85 AND INTERSTATE HIGHWAY 35 INTERSECTION IN DILLEY, LA SALLE COUNTY, TEXAS		
<b>TCEQ Region:</b>	REGION 16 - LAREDO		
<b>ID Number(s):</b>			
<b>AIR OPERATING PERMITS</b> PERMIT 3533	<b>AIR OPERATING PERMITS</b> ACCOUNT NUMBER LDA004C		
<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 94936	<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 96313		
<b>AIR NEW SOURCE PERMITS</b> REGISTRATION 109587	<b>AIR NEW SOURCE PERMITS</b> AFS NUM 4828300010		
<b>AIR EMISSIONS INVENTORY</b> ACCOUNT NUMBER LDA004C	<b>AIR EMISSIONS INVENTORY</b> ACCOUNT NUMBER LDA004C		
<b>Compliance History Period:</b>	September 01, 2008 to August 31, 2013	<b>Rating Year:</b> 2013	<b>Rating Date:</b> 09/01/2013
<b>Date Compliance History Report Prepared:</b>	October 15, 2013		
<b>Agency Decision Requiring Compliance History:</b>	Enforcement		
<b>Component Period Selected:</b>	October 15, 2008 to October 15, 2013		
<b>TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.</b>			
<b>Name:</b> Amancio R. Gutierrez	<b>Phone:</b> (512) 239-3921		

## Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

## Components (Multimedia) for the Site Are Listed in Sections A - J

- A. Final Orders, court judgments, and consent decrees:**  
N/A
- B. Criminal convictions:**  
N/A
- C. Chronic excessive emissions events:**  
N/A
- D. The approval dates of investigations (CCEDS Inv. Track. No.):**  
N/A
- E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

N/A

**F. Environmental audits:**

N/A

**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



<b>IN THE MATTER OF AN</b>	<b>§</b>	<b>BEFORE THE</b>
<b>ENFORCEMENT ACTION</b>	<b>§</b>	
<b>CONCERNING</b>	<b>§</b>	
<b>MOCKINGBIRD MIDSTREAM</b>	<b>§</b>	<b>TEXAS COMMISSION ON</b>
<b>GAS SERVICES, L.L.C.</b>	<b>§</b>	
<b>RN106153554, RN106501398,</b>	<b>§</b>	
<b>RN106449283, RN106388085,</b>	<b>§</b>	
<b>and RN106083900</b>	<b>§</b>	<b>ENVIRONMENTAL QUALITY</b>

## **AGREED ORDER DOCKET NO. 2013-1536-AIR-E**

### **I. JURISDICTION AND STIPULATIONS**

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Mockingbird Midstream Gas Services, L.L.C. ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates five oil and gas production facilities at the following locations (collectively the "Sites"):
  - a. On Highway 117, 16 miles southeast of the Highway 85 and Highway 117 intersection in Dilley, La Salle County, Texas ("Site 1");
  - b. On Farm-to-Market Road ("FM") 469, 9.19 miles northeast of the intersection of Interstate Highway 35 and North Main Street in Cotulla, La Salle County, Texas ("Site 2");
  - c. On an unnamed road, 8.21 miles southeast of the intersection of Texas 85 and FM 468 in Pearsall, Dimmit County, Texas ("Site 3");
  - d. On FM 117, 10.1 miles southeast of the intersection of Highway 57 and FM 117 in Batesville, Zavala County, Texas ("Site 4"); and

- e. On County Road 4827, 8.81 miles west-southwest of the State Highway 85 and Interstate Highway 35 intersection in Dilley, La Salle County, Texas ("Site 5").
2. The Sites consist of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent disclosed the violations alleged in Section II ("Allegations") on March 27, 2013.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Twenty-Two Thousand Seven Hundred Thirty-Six Dollars (\$22,736) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Eighteen Thousand One Hundred Ninety-Two Dollars (\$18,192) of the administrative penalty and Four Thousand Five Hundred Forty-Four Dollars (\$4,544) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Sites that resulted in not being required to obtain the proper authorization:
  - a. On February 20, 2013, the four pneumatic pumps at Site 3 were placed on supplied air, terminating all volatile organic compound ("VOC") emissions from the two scavenger skids;
  - b. On February 22, 2013, the four pneumatic pumps at Site 5 were placed on supplied air, terminating all VOC emissions from the two scavenger skids;
  - c. On March 13, 2013, the four pneumatic pumps at Site 1 and the four pneumatic pumps at Site 4 were placed on supplied air, terminating all VOC emissions from the four scavenger skids; and

- d. On March 14, 2013, the scavenger skid and the two pneumatic pumps were removed from Site 2.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

As owner and operator of the Sites, the Respondent is alleged to have:

1. Failed to obtain authorization for the source of air emissions prior to construction and operation, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), as documented during a record review conducted on July 3, 2013. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 1 from January 23, 2012 to March 13, 2013, prior to obtaining the proper authorization.
2. Failed to obtain authorization for the source of air emissions prior to construction and operation, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), as documented during a record review conducted on July 3, 2013. Specifically, a scavenger skid with two natural gas pneumatic pumps was installed and operated at Site 2 from January 23, 2013 to March 14, 2013, prior to obtaining the proper authorization.
3. Failed to obtain authorization for the source of air emissions prior to construction and operation, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), as documented during a record review conducted on July 3, 2013. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 3 from October 1, 2012 to February 20, 2013, prior to obtaining the proper authorization.
4. Failed to obtain authorization for the source of air emissions prior to construction and operation, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY CODE §§ 382.0518(a) and 382.085(b), as documented during a record review conducted on July 3, 2013. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 4 from May 14, 2012 to March 13, 2013, prior to obtaining the proper authorization.
5. Failed to obtain authorization for the source of air emissions prior to construction and operation, in violation of 30 TEX. ADMIN. CODE § 116.110(a) and TEX. HEALTH & SAFETY

CODE §§ 382.0518(a) and 382.085(b), as documented during a record review conducted on July 3, 2013. Specifically, two scavenger skids with two natural gas pneumatic pumps each were installed and operated at Site 5 from June 18, 2012 to February 22, 2013, prior to obtaining the proper authorization.

6. Failed to include all emission sources in the general operating permit, in violation of 30 TEX. ADMIN. CODE §§ 122.121 and 122.210(a) and TEX. HEALTH & SAFETY CODE §§ 382.054 AND 382.085(b). Specifically, the Respondent operated two scavenger skids with two natural gas pneumatic pumps each at Site 5 prior to including the emission sources in General Operating Permit No. O3533.

### **III. DENIALS**

The Respondent generally denies each allegation in Section II ("Allegations").

### **IV. ORDERING PROVISIONS**

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Mockingbird Midstream Gas Services, L.L.C., Docket No. 2013-1536-AIR-E" to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the operations of the sites referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and



may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

*Pam D. Davis*  
For the Executive Director

6/5/14  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions;
- and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

*Walter J. Bennett*  
Signature *WJB*

Dec 10 2013  
Date

Walter J. Bennett  
Name (Printed or typed)  
Authorized Representative of  
Mockingbird Midstream Gas Services, L.L.C.

VP-Operations  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.